

OFFICE OF MANAGEMENT AND BUDGET

*Legislative Reference Division
Labor-Welfare-Personnel Branch*

Telecopier Transmittal Sheet

FROM: Anna Briatico

395-7887

DATE: 6/17/96

TIME: _____

Pages sent (including transmittal sheet): 2**COMMENTS:**

Attached are the Housing branch comments regarding the Self-Sufficiency / Time Limits provisions in HUD's draft letter to the Conferees on H.R. 2406 and S. 1260. PLEASE LET ME KNOW IF YOU HAVE ANY PROBLEMS/CONCERNS WITH THESE COMMENTS BY 10:00 A.M. TUESDAY MORNING (6/17/96).

TO: Ken Apfel / Mary Cassell
Bruce Reed
Barry White
Keith Fontenot
Jeff Forkas
Lester Cash
Molly Brostrom
cc: Steve Redburn
Janet Forsgren

PLEASE CALL THE PERSON(S) NAMED ABOVE FOR IMMEDIATE PICK-UP.

Major Issues/Concerns With HUD Conference Letter on H.R. 2406 and S. 1260Housing -
Time Limits**I. Self-Sufficiency/Time Limits**

Public Housing Bills: *H.R. 2406, section 106:* Requires each adult member of a family living in public housing or receiving Section 8 assistance to work no less than eight hours per month. Additionally requires that each adult family member living in public housing or receiving Section 8 assistance with custody of a minor living in his or her care to enter into a self-sufficiency contract. The contract would include time limits on housing assistance (length to be determined by individual PHAs); performance targets related to self-sufficiency; and any resources, services, and assistance relating to self-sufficiency to be made available to the family. Terms of the self-sufficiency contract would be incorporated into the lease and violation of such terms would result in termination of the lease or withholding of assistance.

HUD's Position: Opposes all time limits on housing assistance. Supports goals of self-sufficiency efforts but is concerned that funding for case management is lacking; coordination between PHAs and cities/states is needed; and too many arbitrary inequities exist between who is required to sign a contract and who is not.

OMB's Position: Agree with HUD to oppose allowing PHAs broad discretion to time limit public housing assistance for those who are playing by the rules and making genuine efforts to move from welfare to work (i.e., working, enrolled in job training, or attending school). Disagree with HUD and support a limited-scale test of time limits and other conditioning of assistance for those persons who do not make an attempt to become self-sufficient. Support coordination of time limits on housing assistance with welfare time limits to avoid unintended harm to recipients. Agree with HUD on the unfunded mandate portion of self-sufficiency contracts and the inherent inequities, but support giving PHAs flexibility in implementing self-sufficiency provisions. Amend the work requirement provision to specify a maximum number of hours that PHAs can require residents of public housing and those receiving section 8 assistance to work per month (rather than current language which reads "no less than eight hours per month").

Other Positions: HHS: In general, supports coordination of housing and welfare time limits.